

Water and Sewer Operating Fund
For the period ended November 30, 2003
(amounts expressed in thousands)

	FY2004					
	FY2003 CAFR	Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
Operating Revenues						
Water Sales	\$ 267,125	\$ 275,057	\$ 275,057	\$ 117,633	\$ 269,057	\$ 269,057
Sewer Sales	264,159	272,618	272,618	111,334	266,618	266,618
Penalties	4,036	3,741	3,741	1,852	3,741	3,741
Other	3,997	2,758	2,758	1,891	2,758	2,758
Total Operating Revenues	<u>539,317</u>	<u>554,174</u>	<u>554,174</u>	<u>232,710</u>	<u>542,174</u>	<u>542,174</u>
Operating Expenses						
Personnel	105,272	116,360	116,360	47,206	116,360	116,360
Supplies	21,838	24,508	24,508	9,205	24,508	24,508
Service Contracts & Utilities	113,117	124,091	124,091	35,215	124,091	124,091
Uncollectibles	0	1,000	1,000	0	1,000	1,000
Total Operating Expenses	<u>240,227</u>	<u>265,959</u>	<u>265,959</u>	<u>91,626</u>	<u>265,959</u>	<u>265,959</u>
Operating Income (Loss)	<u>299,090</u>	<u>288,215</u>	<u>288,215</u>	<u>141,084</u>	<u>276,215</u>	<u>276,215</u>
Nonoperating Revenues (Expenses)						
Interest Income	19,297	14,653	14,653	6,474	14,653	14,653
Sale of Property, Mains and Scrap	1,219	1,464	1,464	224	1,464	1,464
Other	8,501	20,118	20,118	61,211	80,118	80,118
CWA & TRA Contracts (P & I)	(32,701)	(32,701)	(32,701)	(20,195)	(32,701)	(32,701)
Total Nonoperating Rev (Exp)	<u>(3,684)</u>	<u>3,534</u>	<u>3,534</u>	<u>47,714</u>	<u>63,534</u>	<u>63,534</u>
Income (Loss) Before Operating Transfers	<u>295,406</u>	<u>291,749</u>	<u>291,749</u>	<u>188,798</u>	<u>339,749</u>	<u>339,749</u>
Operating Transfers						
Debt Service Principal	50,335	67,488	67,488	22,641	67,488	67,488
Debt Service Interest	155,344	150,854	150,854	77,581	150,854	150,854
Discretionary Debt	23,811	30,021	30,021	8,042	30,021	30,021
Equipment Acquisition	14,976	16,688	16,688	6,953	16,688	16,688
Renewal and Replacement*	14,636	26,698	26,698	0	74,698	74,698
Accumulated Unexpended (ALP)	10,000	0	0	0	0	0
Transfer for Street and Drainage	25,462	0	0	0	0	0
Total Operating Transfers	<u>294,564</u>	<u>291,749</u>	<u>291,749</u>	<u>115,217</u>	<u>339,749</u>	<u>339,749</u>
Net Current Activity						
Operating Fund Only	\$ <u>842</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>73,581</u>	\$ <u>0</u>	\$ <u>0</u>

*Please refer to Page 29 for the current status of the Renewal and Replacement Fund No. 751.

About the Fund:

Public Utilities - Water and Sewer is an enterprise fund which accounts for operation of the City's water and wastewater facilities. The fund provides for the operation of the City's treated and untreated water, as well as, receive and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers.